

STATE STUDENT AID PROGRAM

ADMINISTRATORS' PERCEPTIONS OF

STUDENT AID RESEARCH

By Jerry S. Davis

Introduction

For as long as there have been colleges in America, there have been financial aid programs to help needy students attend them. However, it was not until the last 20 years that providing students with financial assistance became a billion dollar enterprise. In 1956-57, the amount of financial aid available to students from all sources was \$96 million but by 1974-75 the amount had grown to nearly \$6.1 billion (National Task Force on Student Aid Problems, 1975).

While financial aid has a long history, it is only in recent years that its effects on students, colleges, and societal goals have begun to be measured by research. For example, a comprehensive survey of the literature of financial aid identified only 138 research study reports published between 1960 and 1973 (American College Testing Program, 1974). These studies represented only 18 percent of all the publications identified in the survey. This "time lag" in financial aid research is a somewhat "natural" phenomenon as social and behavioral changes are quite frequently manifested long before they become research topics.

There have been several studies on student aid since 1973, but the need for research remains. The National Task Force on Student Aid Program (1975) indicated there is a tremendous need for research in its simplest form of collection and exchange of data on aid programs which can be used by program administrators. The absence of this data, the Task Force noted, creates two classes of problems for individual program administrators: "(1) Problems related to the operational aspects of each program as its activities supplement, complement, or in some cases, contradict the activities of other programs; and, (2) Problems related to long-range program planning, development, and modification among financial aid programs (p. 60)."

To permit better coordination and management of the federal-state-institutional partnership in financial aid, the Task Force recommended that a system of program information exchange networks in each of the states and territories be developed by cooperative efforts of the United States Bureau of Postsecondary Education (BPE) and the postsecondary education planning commissions (the "1202 Commissions").

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By November, 1976, there had been no substantial activity toward the implementation of such networks (Butts, 1976). There are many possible explanations for this lack of activity. The lack of financial, staff, and other resources in the BPE and the commissions and the difficulty in establishing cooperative data collection and research efforts among the partners in each state, represent two important explanations. Another possible, and perhaps more fundamental, explanation is the lack of interest in research and data collection by the partners to the exchange networks, the program administrators themselves.

As the Task Force envisioned that a major role in the program information exchange networks would be played by the state student aid programs, it was of particular interest to the researcher (formerly a staff associate with the Task Force) to determine what kinds of research were of interest to administrators of state programs. If a lack of interest in or use of student aid research by state aid program administrators does exist, it would help to explain why no substantial steps have been taken toward establishing program information exchange networks. Consequently, a brief survey was designed to elicit information on the state student aid program administrators' perceptions of student aid research.

Methodology

The survey population included the 56 administrators whose programs or agencies were members of the National Association of State Scholarship and Grant Programs as of November 1975. Three of the agencies do not have operating state programs in 1976-77. Each of the administrators was mailed a two-page questionnaire in the fall of 1976, with a cover letter and self-addressed stamped envelope for return of the questionnaire. By December 1, 1976, 37 administrators had responded to the survey, which represents 66.1 percent of the population. All but one of the respondents' agencies will have an operational student aid program in 1976-77. The one exception was an agency which is currently seeking legislative authorization to establish its program.

Table One displays the distribution of programs and respondents by the estimated numbers of students who will receive awards in the 1976-77 academic year. It should be noted that there is a wide variance in program sizes; 39.6 percent will aid fewer than 1,000 students this year while 22.6 percent will aid over 20,000 students. The respondents adequately represent programs by program size but slightly over-represent the smaller programs. Only 58.3 percent of the programs which aid 20,000 or more students, in contrast to 70.0 percent of the programs which aid fewer than 10,000 students, are represented in the sample.

The administrators were asked these questions: (1) Do you believe research is helpful to you in making decisions? If so, how is it helpful? (2) What kinds of research are or might be helpful for you to do or have done? (3) What are or would be the results, for you, of having research information on the subjects you identified in Question 2?

Responses to the first and third questions were frequently interrelated by respondents or, to put it differently, they were perceived as similar or identical

questions. Therefore, the responses to these two questions are interpreted in a collective manner.

TABLE ONE
Distribution of Estimated Numbers of State Scholarship
Program Awards to Students, 1976-77

Students Aided	Number of Programs	Number of Survey Respondents
90,000 and Above	3	2
60,000 to 89,999	1	1
50,000 to 59,999	2	1
35,000 to 49,000	0	0
25,000 to 34,999	4	2
20,000 to 24,999	2	1
10,000 to 19,999	1	1
9,000 to 9,999	2	2
8,000 to 8,999	3	2
7,000 to 7,999	2	2
6,000 to 6,999	3	2
5,000 to 5,999	2	2
4,000 to 4,999	1	0
3,000 to 3,999	1	1
2,000 to 2,999	5	3
1,000 to 1,999	9	3
500 to 999	5	5
Less than 500	7	6
	Total 53	Total 36

Source: National Association of State Scholarship and Grant Programs (1976), Pp. 5-8.
Survey Results

The respondents all indicated that research is important to them. There was considerable variation in responses to how research was helpful and what benefits are derived from it. The responses can, however, be grouped into a few categories. The most frequently identified use of research was to support budgetary requests to the legislatures. Over two-thirds of the respondents (67.6 percent) indicated that research was important for this purpose. About equal percentages of respondents, approximately 40 percent, indicated that research was helpful in their general decision-making processes; for long-range planning purposes, and for the evaluation of program impacts or effects. Slightly fewer, 32.4 percent, reported that research helped them better identify and better serve the needs of special groups of students. Other miscellaneous uses of research were mentioned by fewer than 10 percent of the respondents.

It is not surprising that support of budgetary requests is the most important use of research to the administrators. In order to survive as programs, they must support (and defend) requests for appropriations from their legislatures. This use of research, then, is particularly important.

Many administrators use research to provide a "reference point for inhouse decisions" or guidance in the periodic policy decisions they have to make. Research data gives them "greater confidence in the decision-making process", "helps to formulate policies and guidelines," and "helps to make decisions about allocation of resources among various funds."

Financial aid research, like most policy-oriented research, is best suited to

providing guidance in long-range planning and evaluation. About 40 percent of the administrators indicated they used research for one or both of these purposes. "Projecting future program needs", "predicting the outcome of various strategies", "designing new program parameters", and "keeping up with trends" were the long-range planning uses of research most frequently mentioned by the respondents.

Among those respondents who use research for program evaluation, there was concern with goal analysis, with the identification and quantification of program issues, and with evaluating the role of state aid programs in the federal-state-institutional partnership in student aid. The predominant concerns in this category were the effects of need analysis determination and award procedures and comparing the administrators' individual program and program effects with those of other states.

About a third of the respondents used research to help identify the needs of particular groups of students, e.g., students enrolled at a particular type of postsecondary institution or students who choose to major in some particular field. The research findings, it was suggested, would help to target limited aid funds to those students whose needs were greatest. Another way that research helps to serve specific groups is by identifying maximum award amounts needed by various students. Put another way, research is used to identify groups who most need aid and then how much aid should be awarded to them.

About 10 percent of the respondents indicated that research helped to provide better reports to various constituents, e.g., the postsecondary education community, the institutionally-based financial aid programs' administrators. In addition to the enhancement of the partnership in student aid, good reports were seen as a method of building support for state aid programs.

There were three potential uses of research which were identified by just two respondents each. They are: (1) identifying, quantifying, and describing the role of the family contribution in financing higher education in the state; (2) the discovery of unnoticed or extenuating circumstances among student populations; and, (3) identifying the ways and means by which families actually pay for the costs of their children's education. In the latter instance, the administrators were concerned about where the family contribution actually comes from, e.g., from savings, reduced expenditures on consumer goods, etc.

Some individual research uses and concerns included: identification of the amounts of money needed by students after Basic Educational Opportunity Grant (BEOG) Program awards are taken into account; planning for postsecondary attrition rates; estimating future application volumes; identifying regional and urban-rural differences in educational costs within the state; making enrollment projections; and estimating the impact of tuition increases on enrollments and the need for additional state aid.

Table Two displays the kinds of research which were identified as most helpful by the administrators. The research topic which was identified as important and most important by the majority of the respondents was the effect of their programs' awards on their winners' access to, choice of, and retention in postsecondary education. Over 80 percent of the respondents said this topic was

important; almost 45 percent said it was a "most important" topic. As this topic defines the purposes of financial aid programs, it is not surprising that it ranks first in importance. The aggregate financial need experienced by enrolled students in a given state was the second most frequently identified important research topic. Aggregate need of various student groups establishes a parameter for how much aid is needed by students in a given state and provides an indication of the need for new or increased appropriations to the state program.

Financial need is determined by the difference between a student's cost of education and the available resources he and/or his family have to meet those costs. Financial need is the critical factor in determining how much money is needed by students whom a program is designed to serve and on the potential impact of a given state program's awards. Therefore, it is not surprising that many respondents were concerned with research that provides data on the real out-of-pocket costs of education to students and on the student's and/or family's ability to pay for those costs. These research topics ranked third and fourth in the numbers of respondents who considered them important.

Table Two
Research Topics Considered Important by State
Student Aid Program Administrators

Topic	Pct. Indicating Important	Pct. Indicating Most Important
The effects of my program's awards on the winner's access to, choice of, and retention in college	80.6%	44.4%
The amount of aggregate financial need experienced by students who are enrolled in college in my state	72.2	22.2
The true out-of-pocket costs of education to students	67.7	19.4
The student's and/or family's ability to pay for costs	75.0	13.9
The effects of increases in costs and/or decreases in financial aid on college attendance in my state	75.0	13.9
The aggregate financial needs of less than full time students in college	52.8	16.7
The effects of BEOG Program awards on students' aid needs in my state	80.6	11.1
The effects on in-state attendance if my programs' awards were transportable to out-of-state colleges	58.3	11.1
The maximum amount of aid needed by students my program is designed to serve	69.4	8.3
The amounts and types of aid available to my program's winners from other sources	69.4	5.5

The effects of changes in costs and available aid on postsecondary attendance was a research topic which was important to as many respondents as the family's ability to pay for educational costs. This interest is undoubtedly a reflection of the increasing costs of postsecondary education and the need to compensate for those increases with financial aid.

The aggregate financial needs of less than full-time students was identified as an important research topic by over half of the respondents; 16.7 percent indicated it was a most important topic. This interest is probably a reflection of changes in financial aid regulations which permit aid to these students and increasing part-time participation in postsecondary education.

While only 11.1 percent of the respondents identified the effects of BEOG

program awards on student aid needs in their states as a most important research topic, over 80 percent said it was of importance. This probably reflects an interest in enhancing the federal-state-institutional partnership in student aid and in better delineation of the role of state programs in the partnership. It may also reflect the newness of the BEOG program and a lack of knowledge of its real and potential effects.

Over half the respondents (58.3 percent) expressed interest in the potential effects on in-state attendance if their program's awards could be used at out-of-state colleges. Only 6 of the respondents' programs currently permit use of their awards at out-of-state colleges. The interest in this research topic is probably a reflection of proposals which would require state programs which receive Federal State Student Incentive Grant Program funds to permit students to use any award in another state. Four respondents indicated this was a most important research topic.

The maximum aid needed by their financial aid candidates was a research topic of interest to 69.4 percent of the respondents, but only 8.3 percent indicated it was a most important topic. Research data on this topic would provide a better understanding of total program needs, the real and potential role of the state in the student aid partnership, and the potential impact of state aid on access, choice, and retention. Research data on the amounts and types of aid available to the program's award winners from all other sources, a topic considered important by 69.4 percent of the respondents, would parallel and supplement data on the maximum aid needed by the students.

There were some additional research topics of interest to individual respondents. They include: (1) the effects of tuition increases on low-income student attendance; (2) annual systematic retrieval of other aid to award winners; (3) annual systematic retrieval of tuition costs; (4) the number and characteristics of students who are unable to enroll in postsecondary education due to lack of financial resources; (5) intra-state regional differences in costs of education to students; (6) the effects of a tuition tax credit program on financial aid programs; (7) the actual sources of the family contribution to educational costs; (8) the effects on student economics of borrowing large amounts of money from the Guaranteed Student Loan Programs; (9) "the determination of a new (better) need analysis system for independent students"; and, (10) information on attrition rates of freshmen award winners.

Discussion

It is evident that there is no lack of interest among state aid program administrators in research. Therefore, lack of interest in and/or use of research *per se* is not a significant barrier to their participation in the development of program information exchange networks.

The reasons why the administrators believe research is helpful are quite diversified. Over two-thirds of the administrators used or would use research to support budgetary requests to their legislatures, but no other single reason for or use of research was identified by a majority of them. Over half the administrators indicated that ten particular research topics were of interest, but only one research topic was considered a most important one by over one-third

of them; 44.4 percent indicated that the effects of their program's awards on their aid recipients' access to, choice of, and retention in postsecondary education was a most important topic. About one-fifth of the administrators were interested in determining the amount of aggregate financial need experienced by students enrolled in their states and/or determining the true costs of education to students. Less than one out of every five administrators indicated some other research topic was a most important one.

These data indicate the state administrators believe research is important but there is limited agreement on why it is important or what kinds of research are most important. This limited agreement has some important implications for the design and implementation of program information exchange networks in the various states. The most obvious is that no single existing data collection and exchange model, even the one suggested by the Task Force, is likely to be greeted with equal acceptance in each state by the administrators. To be most acceptable to the most administrators, a program information exchange network will have to serve three important needs: (1) support of budgetary requests to legislatures, (2) support of long-range planning, and (3) support of program evaluation activities.

It will be difficult to develop a network which will equally provide support of these activities as they each have somewhat unique data requirements. Furthermore, they frequently require quite different research designs for analysis of data. For example, long-range planning requires the longitudinal collection of data, a requirement which may not typically be necessary to the support of budgetary requests. Program evaluation research needs are particularly difficult to meet as cause-effect relationships must be carefully delineated and described by data. When program evaluation is carried to the point of goal analysis, it generates an even more complex set of data and research needs (Fife, 1975).

Because of the diversity of research interest and needs, it will be difficult to develop a model program information exchange network which provides for the collection, exchange, and analysis of data to satisfy all the administrators. The alternative to the development of a model is to proceed with the establishment of unique information exchange networks in each state. The time and effort necessary to accomplish these tasks is almost certain to require more than the establishment of a single model. Unfortunately, such a model does not yet exist. The results of this survey have, however, indicated some parameters which will help to define the model.

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